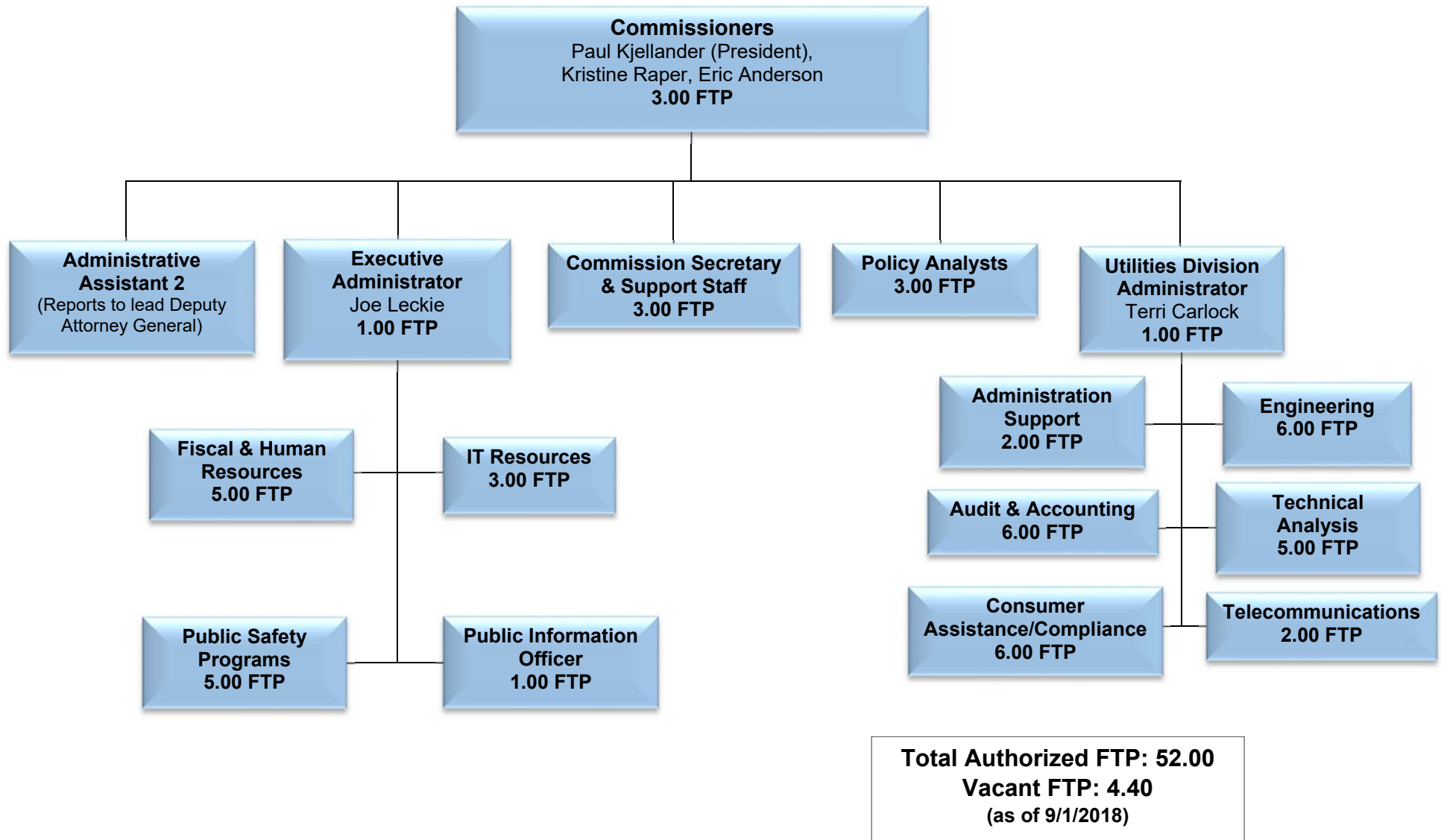


# Public Utilities Commission

## Agency Profile

Analyst: Smith

### Organizational Chart



# Public Utilities Commission

Analyst: Smith

## FY 2018 Actual Expenditures by Division

		FTP	PC	OE	CO	T/B	LS	Total
<b>0.30</b>	<b>FY 2018 Original Appropriation</b>							
0125-00	Ded	0.00	0	209,500	0	0	0	209,500
0229-20	Ded	48.75	4,361,300	1,601,900	76,100	0	0	6,039,300
0348-00	Fed	3.25	254,800	69,200	0	0	0	324,000
<b>Totals:</b>		52.00	4,616,100	1,880,600	76,100	0	0	6,572,800
<b>1.00</b>	<b>FY 2018 Total Appropriation</b>							
0125-00	Ded	0.00	0	209,500	0	0	0	209,500
0229-20	Ded	48.75	4,361,300	1,601,900	76,100	0	0	6,039,300
0348-00	Fed	3.25	254,800	69,200	0	0	0	324,000
<b>Totals:</b>		52.00	4,616,100	1,880,600	76,100	0	0	6,572,800
<b>1.21</b>	<b>Net Object Transfer</b>							
0229-20	Ded	0.00	(397,500)	397,500	0	0	0	0
<b>Totals:</b>		0.00	(397,500)	397,500	0	0	0	0
<b>1.61</b>	<b>Reverted Appropriation</b>							
0125-00	Ded	0.00	0	(134,800)	0	0	0	(134,800)
0229-20	Ded	0.00	(1,400)	(18,000)	(15,600)	0	0	(35,000)
0348-00	Fed	0.00	(124,300)	(19,600)	0	0	0	(143,900)
<b>Totals:</b>		0.00	(125,700)	(172,400)	(15,600)	0	0	(313,700)
<b>2.00</b>	<b>FY 2018 Actual Expenditures</b>							
0125-00	Ded	0.00	0	74,700	0	0	0	74,700
Indirect Cost Recovery			0	74,700	0	0	0	74,700
0229-20	Ded	48.75	3,962,400	1,981,400	60,500	0	0	6,004,300
Public Utilities Commission			3,962,400	1,981,400	60,500	0	0	6,004,300
0348-00	Fed	3.25	130,500	49,600	0	0	0	180,100
Federal Grant			130,500	49,600	0	0	0	180,100
<b>Totals:</b>		52.00	4,092,900	2,105,700	60,500	0	0	6,259,100
<b>Difference: Actual Expenditures minus Total Appropriation</b>								
0125-00	Ded		0	(134,800)	0	0	0	(134,800)
Indirect Cost Recovery			N/A	(64.3%)	N/A	N/A	N/A	(64.3%)
0229-20	Ded		(398,900)	379,500	(15,600)	0	0	(35,000)
Public Utilities Commission			(9.1%)	23.7%	(20.5%)	N/A	N/A	(0.6%)
0348-00	Fed		(124,300)	(19,600)	0	0	0	(143,900)
Federal Grant			(48.8%)	(28.3%)	N/A	N/A	N/A	(44.4%)
<b>Difference From Total Approp</b>			<b>(523,200)</b>	<b>225,100</b>	<b>(15,600)</b>	<b>0</b>	<b>0</b>	<b>(313,700)</b>
<b>Percent Diff From Total Approp</b>			<b>(11.3%)</b>	<b>12.0%</b>	<b>(20.5%)</b>	<b>N/A</b>	<b>N/A</b>	<b>(4.8%)</b>

# Public Utilities Commission

## FY 2019 JFAC Action

	FTP	Gen	Ded	Fed	Total
<b>FY 2018 Original Appropriation</b>	<b>52.00</b>	<b>0</b>	<b>6,248,800</b>	<b>324,000</b>	<b>6,572,800</b>
<b>FY 2018 Total Appropriation</b>	<b>52.00</b>	<b>0</b>	<b>6,248,800</b>	<b>324,000</b>	<b>6,572,800</b>
<b>FY 2018 Estimated Expenditures</b>	<b>52.00</b>	<b>0</b>	<b>6,248,800</b>	<b>324,000</b>	<b>6,572,800</b>
Removal of Onetime Expenditures	0.00	0	(91,500)	0	(91,500)
<b>FY 2019 Base</b>	<b>52.00</b>	<b>0</b>	<b>6,157,300</b>	<b>324,000</b>	<b>6,481,300</b>
Benefit Costs	0.00	0	(66,400)	(4,400)	(70,800)
Inflationary Adjustments	0.00	0	9,800	0	9,800
Replacement Items	0.00	0	91,900	0	91,900
Statewide Cost Allocation	0.00	0	49,700	0	49,700
Change in Employee Compensation	0.00	0	103,000	6,300	109,300
<b>FY 2019 Program Maintenance</b>	<b>52.00</b>	<b>0</b>	<b>6,345,300</b>	<b>325,900</b>	<b>6,671,200</b>
<b>Line Items</b>					
1. CEC for Commissioners	0.00	0	11,400	0	11,400
<b>FY 2019 Total</b>	<b>52.00</b>	<b>0</b>	<b>6,356,700</b>	<b>325,900</b>	<b>6,682,600</b>
Chg from FY 2018 Orig Approp.	0.00	0	107,900	1,900	109,800
% Chg from FY 2018 Orig Approp.	0.0%		1.7%	0.6%	1.7%

# Public Utilities Commission

Analyst: Smith

## Historical Summary

OPERATING BUDGET	FY 2018 Total App	FY 2018 Actual	FY 2019 Approp	FY 2020 Request	FY 2020 Gov Rec
<b>BY FUND CATEGORY</b>					
Dedicated	6,248,800	6,079,000	6,356,700	6,412,100	6,271,000
Federal	324,000	180,100	325,900	328,700	331,500
<b>Total:</b>	<b>6,572,800</b>	<b>6,259,100</b>	<b>6,682,600</b>	<b>6,740,800</b>	<b>6,602,500</b>
Percent Change:		(4.8%)	6.8%	0.9%	(1.2%)
<b>BY OBJECT OF EXPENDITURE</b>					
Personnel Costs	4,616,100	4,092,900	4,666,000	4,718,700	4,491,000
Operating Expenditures	1,880,600	2,105,700	1,942,800	1,951,700	2,041,100
Capital Outlay	76,100	60,500	73,800	70,400	70,400
<b>Total:</b>	<b>6,572,800</b>	<b>6,259,100</b>	<b>6,682,600</b>	<b>6,740,800</b>	<b>6,602,500</b>
Full-Time Positions (FTP)	52.00	52.00	52.00	52.00	49.00

## Department Description

The Idaho Public Utilities Commission (PUC) was established by the 12th Session of the Idaho Legislature and was organized on May 8, 1913. The commission oversees the intrastate operation of investor-owned electric, gas, water, telecommunications utilities, pipelines, and railroads. The commission does not regulate publicly owned municipal, or cooperative utilities. The commission serves the citizens and utilities of Idaho by determining fair, just, and reasonable rates for utility commodities and services to be delivered safely, reliably, and efficiently. After the Legislature removed the motor carrier function from the commission in 1999, the Administration, Utilities, and Regulated Carriers Programs were combined into one program for budgeting purposes. The PUC is divided internally into two divisions: Administration and Utilities.

The Administration Division has management, fiscal, personnel, public affairs, pipeline safety, and railroad safety responsibilities. It provides support services for the agency (Sections 61-301 through 337, Idaho Code). The pipeline safety section oversees the safe operation of interstate oil and natural gas pipelines in Idaho. The rail section oversees the safe operations of railroads that move freight through Idaho and enforces state and federal regulations safeguarding the transportation of hazardous materials by rail. The PUC is federally preempted from regulating railroad rates, charges, routes, and service; but it can still regulate non-economic railroad operations such as abandonment proceedings, enforcing safety regulations, establishing clearance safety rules, and deciding grade crossing disputes. The commission has also entered into a joint state-federal program with the Federal Railroad Administration to promote and enforce federal safety regulations relating to the transportation of hazardous materials by rail in Idaho.

The Utilities Division has audit, engineering, telecommunications, technical analysis, and consumer assistance responsibilities. The audit section advises the commission on auditing, accounting, financing, income tax, and security issues. It participates in all rate cases to determine proper income, expenses, rate bases, and revenue requirements. The engineering, telecommunications, and technical analysis sections are primarily responsible for economic and engineering analysis of rates, rate design, and cost-of-service and technical evaluations of company proposals. The consumer assistance section is responsible for handling customer complaints and specialized information requests.

Programs are funded by the Public Utilities Commission (PUC) Fund which consists of fees collected from the regulated utilities (telecommunications, power, natural gas, and water corporations) in an amount not more than 0.3% of their intrastate revenues (Section 61-1004, Idaho Code) and from railroad corporations, not more than 1% of the gross operating revenues derived from the intrastate business. The pipeline safety program is also partially funded with a federal grant from the US Department of Transportation. In prior years, General Fund expenditures for the salaries and benefits of the commissioners (Section 61-1009, Idaho Code) were reimbursed to the General Fund at year-end from the PUC Fund. However, beginning in FY 2001, the law was changed and commissioners' salaries are now paid from the PUC Fund.

# Public Utilities Commission

Analyst: Smith

## Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
<b>FY 2019 Original Appropriation</b>	<b>52.00</b>	<b>0</b>	<b>6,682,600</b>	<b>52.00</b>	<b>0</b>	<b>6,682,600</b>
1. Chinden Campus Relocation	0.00	0	2,419,300	0.00	0	2,419,300
<b>FY 2019 Total Appropriation</b>	<b>52.00</b>	<b>0</b>	<b>9,101,900</b>	<b>52.00</b>	<b>0</b>	<b>9,101,900</b>
Noncognizable Funds and Transfers	0.00	0	0	0.00	0	0
<b>FY 2019 Estimated Expenditures</b>	<b>52.00</b>	<b>0</b>	<b>9,101,900</b>	<b>52.00</b>	<b>0</b>	<b>9,101,900</b>
Removal of Onetime Expenditures	0.00	0	(2,511,200)	0.00	0	(2,511,200)
<b>FY 2020 Base</b>	<b>52.00</b>	<b>0</b>	<b>6,590,700</b>	<b>52.00</b>	<b>0</b>	<b>6,590,700</b>
Benefit Costs	0.00	0	16,000	0.00	0	(22,000)
Replacement Items	0.00	0	82,700	0.00	0	82,700
Statewide Cost Allocation	0.00	0	14,700	0.00	0	14,700
Change in Employee Compensation	0.00	0	36,700	0.00	0	108,900
<b>FY 2020 Program Maintenance</b>	<b>52.00</b>	<b>0</b>	<b>6,740,800</b>	<b>52.00</b>	<b>0</b>	<b>6,775,000</b>
1. CEC for Commissioners	0.00	0	0	0.00	0	11,700
GOV TECH 1. Network Equip Replacement	0.00	0	0	0.00	0	4,500
GOV TECH 3. Modernization – Consolidate	0.00	0	0	(3.00)	0	(273,600)
GOV TECH 4. Modernization – Admin Billing	0.00	0	0	0.00	0	84,900
Budget Law Exemptions	0.00	0	0	0.00	0	0
<b>FY 2020 Total</b>	<b>52.00</b>	<b>0</b>	<b>6,740,800</b>	<b>49.00</b>	<b>0</b>	<b>6,602,500</b>
Change from Original Appropriation	0.00	0	58,200	(3.00)	0	(80,100)
% Change from Original Appropriation			0.9%			(1.2%)

# Public Utilities Commission

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>FY 2019 Original Appropriation</b>					
	52.00	0	6,356,700	325,900	6,682,600

## 1. Chinden Campus Relocation

The Public Utilities Commission (PUC) requests \$2,419,300 from the Public Utilities Commission Fund to remodel office space at the Chinden Campus and relocate the agency. The lease for the PUC's current office space will expire on May 31, 2019. In April 2018, the Department of Administration's Division of Public Works (DPW) issued a request for proposals (RFP) on behalf of the PUC for new office space. During the RFP process, the Department of Administration was made aware that the Sykes Corporation, a tenant operating a call center at the Chinden Campus, desired to amend its lease of Building 8, including vacating the first and second floors. DPW submitted a response to the PUC's RFP for the soon to be vacant space, which the agency selected as its preferred option due to its lower long-term cost and the stability of being in a state-owned facility.

The agency paid \$595,000 for a pre-bill to DPW from its FY 2018 appropriation to be applied to its anticipated remodeling costs in FY 2019. The PUC worked with DPW to plan improvements to the space that would be needed prior to the move-in to accommodate its staff and conduct hearings and public meetings. In July 2018, a request for quotation was issued for a design/build team and in September 2018, the Permanent Building Fund Advisory Council approved the selected design/build team of CSHQA/McAlvain. In October 2018, DPW and CSHQA/McAlvain estimated a \$1,440,500 construction budget based on \$75 per square foot and additional pre-construction and design costs. This amount includes the \$595,000 pre-paid amount.

In addition to the costs of the remodel, this request includes amounts needed to purchase and install 42 cubicle workstations, establish a high density filing system and document management process for the PUC's official records, and implement physical security protocols. Also included is funding for moving services, furniture, a new phone system, server, and video teleconferencing system.

The agency move is scheduled for August 2019. This request also includes \$124,000 to pay three months of rent from June-August 2019 for the PUC's current office space after its lease expires. This amount is being requested as part of the FY 2019 moving costs along with authority to carry over its unencumbered and unspent appropriation balances from FY 2019 into FY 2020 to complete the relocation. Carryover requires legislative approval and is requested as a Budget Law Exemption.

Agency Request	0.00	0	2,419,300	0	2,419,300
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>2,419,300</i>	<i>0</i>	<i>2,419,300</i>

<b>FY 2019 Total Appropriation</b>					
Agency Request	52.00	0	8,776,000	325,900	9,101,900
<i>Governor's Recommendation</i>	<i>52.00</i>	<i>0</i>	<i>8,776,000</i>	<i>325,900</i>	<i>9,101,900</i>

## Noncognizable Funds and Transfers

This action transfers 0.25 FTP from the Federal Grant Fund to the Public Utilities Commission Fund to align FTP allocation with available program funding.

Agency Request	0.00	0	0	0	0
<i>Recommended by the Governor.</i>					
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

<b>FY 2019 Estimated Expenditures</b>					
Agency Request	52.00	0	8,776,000	325,900	9,101,900
<i>Governor's Recommendation</i>	<i>52.00</i>	<i>0</i>	<i>8,776,000</i>	<i>325,900</i>	<i>9,101,900</i>

## Removal of Onetime Expenditures

This action removes amounts appropriated in FY 2019 for onetime replacement items (\$91,900 for office IT equipment, software licenses, and furniture) and the supplemental appropriation request (\$2,419,300 for the Chinden Campus relocation) before calculating the FY 2020 Base.

Agency Request	0.00	0	(2,511,200)	0	(2,511,200)
<i>Governor's Recommendation</i>	<i>0.00</i>	<i>0</i>	<i>(2,511,200)</i>	<i>0</i>	<i>(2,511,200)</i>

# Public Utilities Commission

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>FY 2020 Base</b>					
Agency Request	52.00	0	6,264,800	325,900	6,590,700
Governor's Recommendation	52.00	0	6,264,800	325,900	6,590,700

## Benefit Costs

Employer-paid benefit changes include a 5.5% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	0	15,400	600	16,000
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The Governor recommends \$11,020 per eligible FTP for health insurance, which is a decrease of \$630, or 5.4%, from the previous year; a temporary rate reduction for agencies that pay the Division of Human Resources for its services; and the PERSI Board's decision to increase the employer contribution by 5.5%.

Governor's Recommendation	0.00	0	(21,000)	(1,000)	(22,000)
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## Replacement Items

Replacement items include \$12,300 for software maintenance and \$70,400 for standard office IT equipment, for a total of \$82,700 from the Public Utilities Commission Fund.

Agency Request	0.00	0	82,700	0	82,700
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Governor's Recommendation	0.00	0	82,700	0	82,700
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## Statewide Cost Allocation

This request includes adjustments to recover the cost of services provided by other agencies in accordance with federal and state guidelines on cost allocation. Attorney General fees will increase by \$10,400, risk management costs will increase by \$3,400, State Controller fees will increase by \$800, and State Treasurer fees will increase by \$100, for a net increase of \$14,700.

Agency Request	0.00	0	14,700	0	14,700
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Governor's Recommendation	0.00	0	14,700	0	14,700
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## Change in Employee Compensation

Employer-paid benefit changes include a 5.4% increase for PERSI regular retirement and adjustments to workers' compensation that vary by agency. Agencies were directed to budget \$11,650 per eligible FTP for health insurance, which is the same amount in the current fiscal year.

Agency Request	0.00	0	34,500	2,200	36,700
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The Governor recommends a 3% increase in employee compensation, distributed on merit. He does not recommend a compensation increase for group and temporary positions.

Governor's Recommendation	0.00	0	102,300	6,600	108,900
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## FY 2020 Program Maintenance

Agency Request	52.00	0	6,412,100	328,700	6,740,800
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Governor's Recommendation	52.00	0	6,443,500	331,500	6,775,000
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### 1. CEC for Commissioners

Agency Request	0.00	0	0	0	0
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The Governor recommends a 3% salary increase for commissioners. This increases the annual salary from \$106,868 to \$110,074. Legislation is required to make this change.

Governor's Recommendation	0.00	0	11,700	0	11,700
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## GOV TECH 1. Network Equip Replacement

Agency Request	0.00	0	0	0	0
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The Governor recommends onetime funding for the replacement of the state's core network equipment and this amount reflects this agency's share of that cost.

Governor's Recommendation	0.00	0	4,500	0	4,500
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# Public Utilities Commission

Analyst: Smith

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
<b>GOV TECH 3. Modernization – Consolidate</b>					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends the consolidation of technology services in specific agencies.</i>					
Governor's Recommendation	(3.00)	0	(273,600)	0	(273,600)
<b>GOV TECH 4. Modernization – Admin Billing</b>					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends ongoing funding for agency billings from the Office of Information Technology Services.</i>					
Governor's Recommendation	0.00	0	84,900	0	84,900
<b>Budget Law Exemptions</b>					
CARRYOVER: The agency requests authority to carry over its unencumbered and unspent balances of amounts appropriated for the Chinden Campus relocation from FY 2019 into FY 2020. Carryover requires legislative approval. Amounts needed to pay rent for existing office space until the agency relocates in August 2019 are included in the FY 2019 supplemental request with the request to carry the unspent balance forward.					
Agency Request	0.00	0	0	0	0
<i>The Governor recommends reappropriation authority for the Chinden Campus relocation funding as the move will not be complete until FY 2020.</i>					
Governor's Recommendation	0.00	0	0	0	0
<b>FY 2020 Total</b>					
Agency Request	52.00	0	6,412,100	328,700	6,740,800
Governor's Recommendation	49.00	0	6,271,000	331,500	6,602,500
Agency Request					
Change from Original App	0.00	0	55,400	2,800	58,200
% Change from Original App	0.0%		0.9%	0.9%	0.9%
Governor's Recommendation					
Change from Original App	(3.00)	0	(85,700)	5,600	(80,100)
% Change from Original App	(5.8%)		(1.3%)	1.7%	(1.2%)



# Public Utilities Commission, FY 2020, Replacement Items

	Average Cost Per Unit	Quantity in Stock	Quantity Requested	Total Request	Governor's Recommended Quantity	Governor's Recommended Total
Computers/Laptops/Monitors	\$1,393	122	36	\$37,400	36	\$37,400
Networking Equipment	\$6,500	1	2	\$13,000	2	\$13,000
Server & Storage Hardware	\$20,000	1	1	\$20,000	1	\$20,000
Software Licenses	\$2,538		13	\$11,500	13	\$11,500
Telephone Maintenance & Support	\$750		1	\$800	1	\$800
<b>Grand Total</b>			<b>53</b>	<b>\$82,700</b>	<b>53</b>	<b>\$82,700</b>

<b>Request by Fund</b>	<b>Agency Request</b>	<b>Governor's Recommendation</b>
Public Utilities Commission Fund (Dedicated)	\$ 82,700	\$ 82,700
<b>TOTAL</b>	<b>\$ 82,700</b>	<b>\$ 82,700</b>